

House File 148 - Introduced

HOUSE FILE
BY COMMITTEE ON STATE
GOVERNMENT

(SUCCESSOR TO HF 1)

A BILL FOR

1	An Act relating to state expenditure and oversight requirement
2	by establishing an organized system of reviews and ongoing
3	repeal dates for programs and projects administered by
4	executive branch departments, revising state expenditure
5	limitations and related state budget requirements, and
6	revising the process for establishing the state percent
7	of growth and including effective date and applicability
8	provisions.
9	BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:
	TLSB 1388HV (2) 84
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1 1
                              DIVISION I
1 2
                            PROGRAM REVIEW
1 3 Section 1. NEW SECTION. 8.71 Ongoing program review ====
1 4 repeal dates.
1 5 1. The general assembly finds that a regular review of
1 6 the programs and projects administered by state government is
1 7 necessary to determine whether each program and project is
1 8 effectively and efficiently meeting the needs for which created
1 9 and whether the needs remain applicable. The general assembly
1 10 further finds that a regular, systematic review process can
1 11 identify the programs and projects that are no longer relevant
1 12 or functioning at a desirable level and can eliminate or
1 13 reorganize those programs and projects so that state resources
1 14 can be used most effectively or diverted to other priorities.
     2. The committees on state government of the senate
1 16 and house of representatives shall propose legislation for
1 17 consideration by the Eighty=fourth General Assembly, 2012
1 18 Session, providing a staggered schedule for establishing an
1 19 automatic repeal date for each program or project administered
1 20 by a department of state government over the succeeding
1 21 five=year period. The committees on state government shall
1 22 consult with the office of the governor and the department
1 23 of management in formulating the staggered schedule and the
1 24 office and department shall cooperate in providing necessary
1 25 information requested by either committee. The repeal date
1 26 provisions shall be implemented in a manner so that any program
1 27 or project that is reauthorized by law is again subject to
1 28 automatic repeal five years after reauthorization.
1 29
                              DIVISION II
                     STATE EXPENDITURE LIMITATIONS
1 30
1 31 Sec. 2. Section 8.22A, Code 2011, is amended to read as
1 32 follows:
     8.22A Revenue estimating conference.
       1. The state revenue estimating conference is created
1 35 consisting of the governor or the governor's designee, the
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2 1 director of the legislative services agency or the director's 2 2 designee, and a third member agreed to by the other two. 3 2. The conference shall meet as often as deemed necessary, 2 4 but shall meet at least quarterly. The conference may use 2 5 sources of information deemed appropriate. At each meeting, 2 6 the conference shall agree to estimates for the current and the 2 7 next two succeeding fiscal years for the general fund of the 8 state, lottery revenues to be available for disbursement, and 9 from gambling revenues and from interest earned on the cash 2 10 reserve fund and the economic emergency fund to be deposited in 2 11 the rebuild Iowa infrastructure fund. 2 12 3. By For purposes of the state general fund expenditure 2 13 limitation and other expenditure limitations under section 2 14 8.54, by December 15 of each fiscal year the conference 2 15 shall agree to a revenue estimate revenue estimates for the 2 16 amounts of moneys subject to an expenditure limitation under 2 17 section 8.54 for the fiscal year beginning the following July 2 18 1. That The estimate amounts shall be used by the governor 2 19 in the preparation of the budget message under section 8.22 2 20 and by the general assembly in the budget process. If the 2 21 conference agrees to a different estimate at a later meeting 2 22 which projects a greater amount of revenue than the initial 2 23 estimate amount agreed to by December 15, the governor and the 2 24 general assembly shall continue to use the initial estimate 2 25 amount in the budget process for that fiscal year. However, 2 26 if the conference agrees to a different estimate at a later 2 27 meeting which projects a lesser amount of revenue than the 2 28 initial estimate amount, the governor and the general assembly 2 29 shall use the lesser amount in the budget process for that 2 30 fiscal year. As used in this subsection, "later meeting" 2 31 means only those later meetings which are held prior to the 2 32 conclusion of the regular session of the general assembly and, 2 33 if the general assembly holds an extraordinary session prior 2 34 to the commencement of the fiscal year to which the estimate

2 35 applies, those later meetings which are held before or during



- 3 1 the extraordinary session.
- 3 2 4. At the meeting in which the conference agrees to the 3 3 revenue estimate $\underline{\text{for the general fund of the state}}$ for the
- 3 4 following fiscal year in accordance with the provisions of
- 3 5 subsection 3, the conference shall agree to an estimate for tax
- 3 6 refunds payable from that estimated revenue. The estimates
- 3 7 required by this subsection shall be used in determining the
- 3 8 adjusted revenue estimate under section 8.54. The conference
- 3 9 shall also agree to the estimates required by this subsection
- 3 10 for the current fiscal year and for the fiscal year subsequent
- 3 11 to the following fiscal year.
- 3 12 5. At the meeting in which the conference agrees to the
- 3 13 revenue estimate for the general fund of the state for the
- 3 14 succeeding fiscal year in accordance with the provisions of
- 3 15 subsection 3, the conference shall also agree to the following
- 3 16 estimates which shall be used by the governor in preparation of
- 3 17 the budget message under section 8.22 and the general assembly
- 3 18 in the budget process for the succeeding fiscal year:
- 3 19 a. The amount of lottery revenues that will be deposited in
- 3 20 the general fund for the following fiscal year to be available
- 3 21 for disbursement following the deductions made pursuant to
- 3 22 section 99G.39, subsection 1. This estimate shall be included
- 3 23 in the conference's estimate of general fund revenues and shall
- 3 24 be calculated as the sum of the following, divided by seven,
- 3 25 as agreed to by the conference:
- 3 26 (1) The conference's estimate of the amount of lottery
- 3 27 revenues to be deposited in the general fund for the succeeding
- 3 28 fiscal year.
- 3 29 (2) The conference's estimate of the amount of lottery
- 3 30 revenues to be deposited in the general fund for the current
- 3 31 fiscal year.
- 3 32 (3) The actual amount of the lottery revenues deposited in
- 3 33 the general fund for the five most recently completed fiscal
- 3 34 years, adjusted for inflation through the close of the most
- 3 35 recently completed fiscal year.



- 4 1 b. The amount of revenue for the following fiscal year from 4 2 gambling revenues and from interest earned on the cash reserve 4 3 fund and the economic emergency fund to be deposited in the 4 4 rebuild Iowa infrastructure fund under section 8.57, subsection 4 5 6, paragraph "e".
- 4 6 c. The amount of accruals of those revenues collected by or 4 7 due from entities other than the state on or before June 30 of 4 8 the fiscal year but not remitted to the state until after June 4 9 30.
- 4 10 d. The amount of accrued lottery revenues collected on or 4 11 before June 30 of the fiscal year but not transferred to the 4 12 general fund of the state until after June 30.
- 4 13 The conference shall also agree to estimates of the items
 4 14 enumerated in paragraphs "a" through "d" for the current fiscal
 4 15 year and for the fiscal year subsequent to the following fiscal
 4 16 year.
- 4 17 6. At the meeting in which the conference agrees to the 4 18 revenue estimates for the following fiscal year in accordance 4 19 with subsection 3, the conference shall agree to the amount 4 20 available in the cash reserve fund as of the close of the 4 21 previous fiscal year that may be appropriated for nonrecurring 4 22 emergency expenditures as provided in section 8.56, subsection 4 23 5.
- 4 24 Sec. 3. Section 8.39, Code 2011, is amended to read as 4 25 follows:
- 4 26 8.39 Use of appropriations ==== transfer.
- 4 27 1. Except as otherwise provided by law, an appropriation or 4 28 any part of it shall not be used for any other purpose than that
- 4 29 for which it was made. However, with the prior written consent
- 4 30 and approval of the governor and the director of the department
- 4 31 of management, the governing board or head of any state
- 4 32 department, institution, or agency may, at any time during the
- 4 33 fiscal year, make a whole or partial intradepartmental transfer
- 4 34 of its unexpended appropriations for purposes within the scope
- 4 35 of such department, institution, or agency. Such transfer



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- 5 1 shall be to an appropriation made from the same funding source 5 2 and within the same fiscal year. The amount of a transfer made 5 3 from an appropriation under this subsection shall be limited 5 4 to not more than one=tenth of one percent of the total of all 5 5 appropriations made from the funding source of the transferred 5 6 appropriation for the fiscal year in which the transfer is 5 7 made. 5 8 2. If the appropriation of a department, institution, or 5 9 agency is insufficient to properly meet the legitimate expenses 5 10 of the department, institution, or agency, the director, with 5 11 the approval of the governor, may make an interdepartmental 5 12 transfer from any other department, institution, or agency of 5 13 the state having an appropriation in excess of its needs, of
 - 5 15 be to an appropriation made from the same funding source and 5 16 within the same fiscal year. The amount of a transfer made

5 14 sufficient funds to meet that deficiency. Such transfer shall

- 5 17 from an appropriation under this subsection shall be limited
- 5 18 to not more than one=tenth of one percent of the total of all
- 5 19 appropriations made from the funding source of the transferred
- 5 20 appropriation for the fiscal year in which the transfer is
- 5 21 made. An interdepartmental transfer to an appropriation which
- 5 22 is not an entitlement appropriation is not authorized when
- 5 23 the general assembly is in regular session and, in addition,
- 5 24 the sum of interdepartmental transfers in a fiscal year to an
- 5 25 appropriation which is not an entitlement appropriation shall
- 5 26 not exceed fifty percent of the amount of the appropriation
- 5 27 as enacted by the general assembly. For the purposes of
- 5 28 this subsection, an entitlement appropriation is a line item
- 5 29 appropriation to the state public defender for indigent defense
- 5 30 or to the department of human services for foster care, state
- 5 31 supplementary assistance, or medical assistance, or for the
- 5 32 family investment program.
- 5 33 3. Prior to any transfer of funds pursuant to subsection
- $5\ 34\ 1$ or 2 of this section or a transfer of an allocation from
- 5 35 a subunit of a department which statutorily has independent



- 6 1 budgeting authority, the director shall notify the chairpersons 2 of the standing committees on budget of the senate and the 3 house of representatives and the chairpersons of subcommittees 4 of such committees of the proposed transfer. The notice from 6 5 the director shall include information concerning the amount 6 6 of the proposed transfer, the departments, institutions or 6 7 agencies affected by the proposed transfer and the reasons for 6 8 the proposed transfer. Chairpersons notified shall be given at 6 9 least two weeks to review and comment on the proposed transfer
- 6 10 before the transfer of funds is made.
- 6 11 4. Any transfer made under the provisions of this section 6 12 shall be reported to the legislative fiscal committee on a 6 13 monthly basis. The report shall cover each calendar month and 6 14 shall be due the tenth day of the following month. The report 6 15 shall contain the following: The amount of each transfer; the 6 16 date of each transfer; the departments and funds affected; 6 17 a brief explanation of the reason for the transfer; and 6 18 such other information as may be required by the committee. 6 19 A summary of all transfers made under the provisions of 6 20 this section shall be included in the annual report of the
- 6 21 legislative fiscal committee.
- 6 22 Sec. 4. Section 8.54, Code 2011, is amended to read as 6 23 follows:
- 6 24 8.54 General fund expenditure limitation and other 6 25 expenditure limitations.
- 6 26 1. For the purposes of section 8.22A, this section, and 6 27 sections 8.55 through 8.57:
- 6 28 a. "Adjusted revenue estimate" means the appropriate revenue 6 29 estimate for the general fund for the following fiscal year as 6 30 determined by the revenue estimating conference under section
- 6 31 8.22A, subsection 3, adjusted by subtracting estimated tax
- 6 32 refunds payable from that estimated revenue, adding accruals
- 6 33 determined in accordance with section 8.22A, subsection 5, and
- 6 34 as determined by the conference, adding any new revenues which
- 6 35 may be considered to be eligible for deposit in the general



- 7 1 fund.
- 7 2 b. "Inflation" means the percentage change in the consumer
- 7 3 price index for all urban consumers, midwest region, published
 - 7 4 by the United States department of labor, bureau of labor
- 7 5 statistics.
- 7 6 c. "New revenues" means moneys which are received by the
- 7 7 general fund of the state due to increased tax rates and fees
- 7 8 or newly created taxes and fees over and above those moneys
- 7 9 which are received due to state taxes and fees which are in
- 7 10 effect as of January 1 following the December state revenue
- 7 11 estimating conference. "New revenues" also includes moneys
- 7 12 received by the general fund of the state due to new transfers
- 7 13 over and above those moneys received by the general fund of
- 7 14 the state due to transfers which are in effect as of January
- 7 15 1 following the December state revenue estimating conference.
- 7 16 The department of management shall obtain concurrence from the
- 7 17 revenue estimating conference on the eligibility of transfers
- 7 18 to the general fund of the state which are to be considered as
- 7 19 new revenue in determining the state general fund expenditure
- 7 20 limitation.
- 7 21 2. a. There is created a state general fund expenditure
- 7 22 limitation for each fiscal year calculated as provided in this
- 7 23 section.
- 7 24 b. There is created a gambling revenue expenditure
- 7 25 limitation calculated as provided in this section. The
- 7 26 limitation applies to revenues received by the state that
- 7 27 are attributable to gambling and available for appropriation
- 7 28 but are not credited to the general fund of the state. The
- 7 29 gambling revenue expenditure limitation does not include
- 7 30 lottery revenue.
- 7 31 c. An expenditure limitation shall be used for the portion
- 7 32 of the budget process commencing on the date the revenue
- 7 33 estimating conference agrees to a revenue estimate for the
- 7 34 following fiscal year in accordance with section 8.22A,
- 7 35 subsection 3, and ending with the governor's final approval



- 8 1 or disapproval of the appropriations bills applicable to that
 8 2 fiscal year that were passed prior to July 1 of that fiscal
 8 3 year in a regular or extraordinary legislative session.
- 8 4 3. Except as otherwise provided in this section, the state 8 5 general fund expenditure limitation for a fiscal year shall be
- 8 6 ninety=nine percent of the adjusted revenue estimate. of the
- 8 7 general fund average, as agreed to by the revenue estimating
- 8 8 conference. The general fund average for a fiscal year is the 8 9 sum of the following, divided by seven:
- 8 10 $\underline{\text{a.}}$ The adjusted revenue estimate for the succeeding fiscal 8 11 year.
- 8 12 b. The revenue estimate for the current fiscal year,
- 8 13 adjusted by subtracting estimated tax refunds payable from that
- 8 14 estimated revenue and as determined by the conference, adding
- 8 15 any new revenues which may be considered to be eligible for 8 16 deposit in the general fund.
- 8 17 c. The net revenue for the general fund of the state for
- c. The net revenue for the general fund of the state for
- 8 18 the five most recently completed fiscal years, adjusted by
- 8 19 subtracting tax refunds paid from the revenue and adjusted for
- 8 20 inflation through the close of the most recently completed
- 8 21 fiscal year.
- 8 22 4. The gambling revenue expenditure limitation for a fiscal
- 8 23 year shall be the sum of the following, divided by seven, as
- 8 24 agreed to by the revenue estimating conference:
- 8 25 <u>a.</u> The gambling revenues estimate for the succeeding fiscal 8 26 year.
- 8 27 b. The gambling revenues estimate for the current fiscal 8 28 year.
- 8 29 c. The net gambling revenues for the five most recently
- 8 30 completed fiscal years, adjusted for inflation through the
- 8 31 close of the most recently completed fiscal year.
- 8 32 4. 5. The state general fund expenditure limitation amount
- 8 33 and the gambling revenue expenditure limitation amount provided
- 8 34 for in this section shall be used by the governor in the
- 8 35 preparation of the budget under section 8.22 and approval of



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9 1 the budget and by the general assembly in the budget process. 9 2 If a source for new revenues is proposed, the budget revenue 3 projection used for that new revenue source for the period 4 beginning on the effective date of the new revenue source and 9 5 ending in the fiscal year in which the source is included in 9 6 the revenue base shall be an amount determined by subtracting 9 7 estimated tax refunds payable from the projected revenue from 9 8 that new revenue source, multiplied by ninety=five percent. If 9 9 a new revenue source is established and implemented that would 9 10 affect an expenditure limitation amount, the original state - 9 11 general fund expenditure limitation amount provided for in 9 12 subsection 3 shall be readjusted to include ninety=five percent 9 13 of the estimated revenue from the new revenue source. 9 14 5. For fiscal years in which section 8.55, subsection 2, 9 15 results in moneys being transferred to the general fund, the - 9 16 original state general fund expenditure limitation amount - 9 17 provided for in subsection 3 shall be readjusted to include the 9 18 moneys which are so transferred. 9 19 6. The scope of the expenditure limitation limitations 9 20 under $\frac{\text{subsection } 3}{\text{subsection}}$ this section shall not encompass federal 9 21 funds, donations, constitutionally dedicated moneys, moneys 9 22 appropriated from the cash reserve fund or Iowa economic 9 23 emergency fund, and moneys in expenditures from state 9 24 retirement system moneys. 9 25 7. The governor shall transmit to the general assembly, in 9 26 accordance with section 8.21, a budget which does not exceed 9 27 the state general fund expenditure limitation expenditure 9 28 limitations under this section. The general assembly shall 9 29 pass a budget which does not exceed the state general fund - 9 30 expenditure limitation expenditure limitations. The governor 9 31 shall not transmit a budget with recommended appropriations 9 32 in excess of the state general fund expenditure limitation -9 33 expenditure limitations and the general assembly shall not 9 34 pass a budget with appropriations in excess of the state

- 9 35 general fund expenditure limitation expenditure limitations.



- 10 1 The governor shall not approve or disapprove appropriation
- 10 2 bills or items of appropriation bills passed by the general
- 10 3 assembly in a manner that would cause the final budget approved
- 10 4 by the governor to exceed the state general fund expenditure
- -10-5 limitation expenditure limitations. In complying with the
- 10 6 requirements of this subsection, the governor and the general
- 10 7 assembly shall not rely on any anticipated reversion of
- 10 8 appropriations in order to meet the state general fund any
- 10 9 expenditure limitation.
- 10 10 Sec. 5. Section 8.56, subsections 2 and 3, Code 2011, are
- 10 11 amended to read as follows:
- 10 12 2.a. Moneys shall be credited to the cash reserve fund
- 10 13 from all of the following:
- 10 14 (1) Appropriations made to the fund pursuant to section 10 15 8.57.
- 10 16 (2) The state's share of the proceeds under chapter 809A.
- 10 17 (3) Moneys collected in the settlement or prosecution
- 10 18 of a claim by the state that are not otherwise specifically
- 10 19 allocated in accordance with law to another fund.
- 10 20 (4) Other moneys designated by law or by the executive
- 10 21 council as one=time revenues and which are not otherwise
- 10 22 specifically allocated by law to another fund.
- 10 23 $\underline{\text{b.}}$ The maximum balance of the cash reserve fund is the
- 10 24 amount equal to the cash reserve goal percentage, as defined in
- 10 25 section 8.57, multiplied by the adjusted revenue estimate for
- 10 26 the general fund of the state for the current fiscal year.
- 10 27 3. The moneys in the cash reserve fund shall only be used
- 10 28 pursuant to an appropriation made by the general assembly. An
- -10 29 Except as provided in subsection 5, an appropriation shall be
- 10 30 made in accordance with subsection 4 from the cash reserve fund
- 10 31 only for the fiscal year in which the appropriation is made.
- 10 32 The moneys shall only be appropriated by the general assembly
- 10 33 for nonrecurring emergency expenditures and shall not be
- 10 34 appropriated for payment of any collective bargaining agreement
- 10 35 or arbitrator's decision negotiated or awarded under chapter



- 11 1 20. Except as provided in section 8.58, the cash reserve fund 11 2 shall be considered a special account for the purposes of 11 3 section 8.53 in determining the cash position of the general 11 4 fund of the state for the payment of state obligations. Sec. 6. Section 8.56, Code 2011, is amended by adding the 11 6 following new subsection: 11 7 NEW SUBSECTION. 5. If the adjusted revenue estimate 11 8 for the succeeding fiscal year is less than ninety=eight 11 9 percent of the general fund average for that fiscal year under 11 10 section 8.54, subsection 3, an appropriation for nonrecurring 11 11 emergency expenditures from the cash reserve fund may be made 11 12 to provide additional funding for the succeeding fiscal year. 11 13 However, the amount of such appropriation shall not exceed 11 14 the difference of ninety=eight percent of such general fund 11 15 average minus the adjusted revenue estimate for the succeeding 11 16 fiscal year. The amount of such appropriation shall not exceed 11 17 twenty=five percent of the ending balance in the cash reserve 11 18 fund in the most recently completed fiscal year. 11 19 Sec. 7. Section 284.3A, subsection 4, Code 2011, is amended 11 20 to read as follows: 11 21 4. The teacher salary supplement district cost as 11 22 calculated under section 257.10, subsection 9, and the area 11 23 education agency teacher salary supplement district cost 11 24 as calculated under section 257.37A, subsection 1, are not 11 25 subject to a uniform reduction in accordance with section 11 26 8.31. Notwithstanding any provision of law to the contrary, 11 27 if the governor orders budget reductions in accordance with 11 28 section 8.31, a collective bargaining agreement negotiated 11 29 under chapter 20 and in effect on the date the budget reduction 11 30 was ordered shall be reopened and renegotiated by the boards of 11 31 directors of school districts and area education agencies and 11 32 the employee organizations representing the employees of the 11 33 school districts and area education agencies.
- 11 34 Sec. 8. Section 809A.17, subsection 3, Code 2011, is amended
- 11 35 to read as follows:



12 1 3. The state share of the cash proceeds from forfeited
12 2 property shall be credited to the cash reserve fund. Forfeited
12 3 property that is not cash or sold may be used by the departmen
12 4 of justice in the enforcement of the criminal law. The
12 5 department may give, sell, or trade forfeited property that is
12 6 not cash or sold to any other state agency or to any other law
12 7 enforcement agency within the state if, in the opinion of the
12 8 attorney general, it the forfeited property will enhance law
12 9 enforcement within the state.
12 10 Sec. 9. APPLICABILITY. This division of this Act applies
12 11 beginning July 1, 2011, for the budget process for the
12 12 succeeding fiscal year.
12 13 DIVISION III
12 14 STATE PERCENT OF GROWTH
12 15 Sec. 10. Section 257.8, subsections 1 and 2, Code 2011, are
12 16 amended to read as follows:
12 17 1. State percent of growth. The state percent of growth
12 18 for the budget year beginning July 1, 2009, is four percent.
12 19 The state percent of growth for the budget year beginning July
12 20 1, 2010, is two percent. The state percent of growth for
-12 21 each subsequent budget year shall be established by statute
-12 22 which shall be enacted within thirty days of the submission
-12 23 in the year preceding the base year of the governor's budget
12 24 under section 8.21. The establishment of the state percent
12 25 of growth for a budget year shall be the only subject matter
12 26 of the bill which enacts the state percent of growth for a
12 27 budget year. The state percent of growth for each budget year
12 28 shall be established by statute which shall be enacted in an
12 29 odd=numbered year for the budget year and the budget year
12 30 subsequent to the budget year as follows:
12 31 a. For the budget year, the statute establishing the state
12 32 percent of growth shall be enacted within thirty days of the
12 33 submission of the governor's budget under section 8.21.
b. For the budget year subsequent to the budget year, the
12 35 statute establishing the state percent of growth shall be



_	13 1	enacted before adjournment of the regular legislative session
_	13 2	of the odd=numbered year.
		2. Categorical state percent of growth. The categorical
		state percent of growth for the budget year beginning July
	13 5	1, 2010, is two percent. The categorical state percent of
-	13 6	growth for each budget year shall be established by statute
-	13 7	which shall be enacted within thirty days of the submission
		in the year preceding the base year of the governor's budget
-	13 9	under section 8.21. The establishment of the categorical state
	13 10	percent of growth for a budget year shall be the only subject
	13 11	matter of the bill which enacts the categorical state percent
		of growth for a budget year. The categorical state percent of
	13 13	growth may include state percents of growth for the teacher
	13 14	salary supplement, the professional development supplement,
	13 15	and the early intervention supplement. The categorical state
_	13 16	percent of growth for each budget year shall be established by
_	13 17	statute which shall be enacted in an odd=numbered year for the
_	13 18	budget year and the budget year subsequent to the budget year
_	13 19	as follows:
	13 20	a. For the budget year, the statute establishing the
_		categorical state percent of growth shall be enacted within
_		thirty days of the submission of the governor's budget under
_	13 23	section 8.21.
	13 24	b. For the budget year subsequent to the budget year, the
_		statute establishing the categorical state percent of growth
_		shall be enacted before adjournment of the regular legislative
_		session of the odd=numbered year.
	13 28	Sec. 11. EFFECTIVE UPON ENACTMENT AND APPLICABILITY. This
		division of this Act, being deemed of immediate importance,
		takes effect upon enactment and applies to school budget years
		beginning in 2011 and 2012 and subsequent school budget years.
	13 32	EXPLANATION
	13 33	This bill relates to state expenditure and oversight
		requirements by requiring an organized system of state
	13 35	program reviews, revising state expenditure limitations and



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14 1 related state budget requirements, and revising the process
14 2 for establishing the state percent of growth for purposes of
   3 the school foundation program. The bill is organized into
14 4 divisions.
14 5 PROGRAM REVIEW. This division addresses regular review
14 6 of programs and projects administered by executive branch
14 7 departments by providing for implementation of an organized
14 8 system of ongoing repeal dates for the programs and projects.
14 9 Code section 8.2 defines the term "department" to mean any
14 10 executive department, commission, board, institution, bureau,
14 11 office, or other agency of the state government, that uses,
14 12 expends, or receives any state funds.
14 13 New Code section 8.71 states legislative findings as to
14 14 the purposes for performing a regular review of programs and
14 15 projects. The committees on state government of the senate and
14 16 house of representatives are directed to propose legislation
14 17 for the Eighty=fourth General Assembly, 2012 Session, providing
14 18 a staggered schedule for establishing an automatic repeal date
14 19 for each program or project administered by a department over
14 20 the succeeding five=year period. The standing committees on
14 21 state government are required to consult with the office of
14 22 the governor and the department of management in formulating
14 23 the staggered schedule and the office and the department are
14 24 required to cooperate in providing information requested by
14 25 either committee. The repeal date provisions are required to
14 26 be implemented in a manner so that any program or project that
14 27 is reauthorized by law is again subject to automatic repeal
14 28 five years after reauthorization.
14 29 STATE EXPENDITURE LIMITATIONS. This division relates to the
14 30 state general fund expenditure limitation and related state
14 31 budget requirements.
14 32 Code section 8.22A, relating to the state revenue estimating
14 33 conference, is amended to require the conference to provide
14 34 estimates for the current and next two succeeding fiscal years
14 35 at each meeting. The conference's estimate of the lottery
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15 1 revenues credited to the general fund for purposes of the
15 2 estimate used in developing the state general fund expenditure
   3 limitation is revised to require the use of an adjusted
15 4 seven=year average. New duties are added to conform with other
15 5 provisions in the division.
15 6 Code section 8.39, relating to the authority of the
15 7 executive branch to make intra= and interdepartmental
15 8 transfers, is amended. For both types of transfers, the bill
15 9 provides that the amount per transfer cannot exceed one=tenth
15 10 of 1 percent of the sum of all of the appropriations made for
15 11 the fiscal year in which the transfer is made, the transfer
15 12 must be to an appropriation from the same funding source, and
15 13 the transfer must be within the same fiscal year.
       Code section 8.54, relating to the state general fund
15 15 expenditure limitation, is amended in several ways. The list
15 16 of adjustments in the term "adjusted revenue estimate" is
15 17 augmented to include revenue accruals identified by the revenue
15 18 estimating conference. The term "inflation" is defined to
15 19 mean the percentage change in the consumer price index for all
15 20 urban consumers, midwest region, published by the United States
15 21 department of labor, bureau of labor statistics. The division
15 22 provides that the period of inflation addressed is through the
15 23 close of the most recently completed fiscal year.
15 24
         A gambling revenue expenditure limitation is established
15 25 for the revenues received by the state that are attributable
15 26 to gambling and available for appropriation but are not
15 27 credited to the general fund of state. The gambling revenue
15 28 expenditure limitation does not include lottery revenue.
15 29 Requirements of the governor and general assembly in the budget
15 30 and appropriations process are made applicable to the gambling
15 31 revenue expenditure limitation.
15 32 Under current law, the state general fund expenditure
15 33 limitation is 99 percent of the adjusted revenue estimate for
15 34 the succeeding fiscal year. This one=year approach is replaced
15 35 to utilize an average seven=year period, consisting of net
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16 1 revenues for the current and succeeding fiscal years, plus the
16 2 net revenues for the five most recently completed fiscal years,
16 3 as adjusted for inflation, divided by seven.
16 4 Code section 8.56, relating to the cash reserve fund, is
16 5 amended in several ways. A new listing of funding sources
16 6 for the fund is added. In addition to the current ending
16 7 balance and other appropriations in Code section 8.57, the
16 8 fund is to receive the state's share of proceeds under the
16 9 forfeiture law in Code chapter 809A, moneys collected in the
16 10 settlement or prosecution of a claim by the state that are not
16 11 otherwise allocated, and other moneys designated by law or by
16 12 the executive council as one=time revenues.
16 13 Under current law, appropriations from the cash reserve fund
16 14 are only authorized for emergency nonrecurring expenditures to
16 15 be made for the same fiscal year in which the appropriation
16 16 is made. The bill authorizes an appropriation for such
16 17 expenditures for the succeeding fiscal year when a revenue
16 18 reduction is anticipated that exceeds a threshold specified in
16 19 the bill. The amount of such an appropriation is subject to
16 20 various limitations.
16 21
       Code section 284.3A, relating to teacher compensation and
16 22 a single salary system, is amended. The provision currently
16 23 provides that the teacher salary supplement district cost
16 24 and the area education agency (AEA) teacher salary district
16 25 costs are not subject to a uniform reduction in appropriations
16 26 ordered by the governor under Code section 8.31. The bill
16 27 adds that if such reduction is ordered by the governor, the
16 28 collective bargaining agreements for school district and AEA
16 29 employees are to be reopened and renegotiated.
16 30 Code section 809A.17, relating to allocation of forfeited
16 31 property, is amended to provide that cash proceeds are credited
16 32 to the cash reserve fund.
16 33
      An applicability section provides that the changes made
16 34 in the division apply beginning July 1, 2011, for the budget
16 35 process for the succeeding fiscal year.
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House File 148 - Introduced continued

- 17 1 STATE PERCENT OF GROWTH. This division amends Code section 17 2 257.8, relating to the state percent of growth used to 3 determine the regular program allowable growth and categorical 4 allowable growth appropriations in the school foundation aid 5 formula. 17 17 6 Under current law, the state percent of growth amounts are 17 7 to be enacted within 30 days of submission of the governor's 17 8 budget recommendation and apply to the school budget year which 17 9 commences in the calendar year one year after the calendar year 17 10 in which the state percent of growth amounts are enacted. The bill provides instead that the state percent of growth 17 11 17 12 amounts for two budget years are to be enacted in each 17 13 odd=numbered regular legislative session. For the next budget 17 14 year, the regular program and categorical amounts are to be 17 15 enacted within 30 days of submission of the governor's budget. 17 16 For the budget year subsequent to the next budget year, the two 17 17 state growth amounts are to be enacted before adjournment of 17 18 the legislative session. This division takes effect upon enactment and applies to the 17 20 school budget years beginning in 2011 and 2012.
 - LSB 1388HV (2) 84

jp/sc



House File 149 - Introduced

HOUSE FILE
BY COMMITTEE ON LABOR

(SUCCESSOR TO HF 3)

A BILL FOR

- 1 An Act providing for the placement of a right=to=work notice on
- 2 department of economic development materials.
- 3 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA: TLSB 1510HV (2) 84 je/rj



House File 149 - Introduced continued

PAG LIN

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Section 1. Section 15.108, Code 2011, is amended by adding
1 2 the following new subsection:
1 3 NEW SUBSECTION. 12. Labor relations. To provide
1 4 information relating to the rights of workers and employers in
1 5 the state. To carry out this responsibility, the department
  6 shall include the phrase, "Iowa is a Right=to=Work State" in
1 7 bold letters on all business recruitment, promotional, and, if
1 8 deemed appropriate by the department, tourism literature.
1 9
                              EXPLANATION
       This bill relates to the promotion of Iowa as a right=to=work
1 10
1 11 state. The bill requires the placement of the phrase, "Iowa
1 12 is a Right=to=Work State" on the department of economic
1 13 development's business recruitment, promotional, and, if deemed
1 14 appropriate by the department, tourism literature.
    LSB 1510HV (2) 84
     je/rj
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House File 150 - Introduced

HOUSE FILE BY KRESSIG

A BILL FOR

- 1 An Act providing a standing appropriation of the fees
- 2 assessed for radon testing and abatement certification and
- 3 credentialing for the purpose of the administration of
- 4 radon=related programs.
- 5 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA: TLSB 1494HH (5) 84 $\,$ pf/rj



House File 150 - Introduced continued

PAG LIN

Section 1. Section 136B.4, Code 2011, is amended to read as 1 1 1 2 follows: 136B.4 Fees ==== standing appropriation ==== rules. 1. The department shall establish a fee schedule to defray 1 5 the costs of the certification and credentialing programs 1 6 established pursuant to section 136B.1 and the testing 1 7 conducted and the written reports provided pursuant to section 1 8 136B.3. 2. The proceeds derived from the fees collected under 1 10 subsection 1 shall be credited to the general fund of the 1 11 state. The proceeds credited to the general fund of the state 1 12 under this subsection are appropriated, annually, to the 1 13 department for administration of the programs established under 1 14 this chapter. 1 15 3. The department shall adopt rules, pursuant to chapter 1 16 17A, to implement this chapter. 1 17 EXPLANATION 1 18 This bill provides that the proceeds derived from fees 1 19 collected to defray the costs of radon=related programs under $1\ 20\ \text{Code}$ chapter 136B are to be credited to the general fund of the 1 21 state and are appropriated annually to the department of public 1 22 health for administration of these programs. LSB 1494HH (5) 84 pf/rj



House File 151 - Introduced

HOUSE FILE
BY WATTS, IVERSON,
RAYHONS, BAUDLER,
DEYOE, and HELLAND

A BILL FOR

- 1 An Act authorizing a rural water district to declare
- 2 bankruptcy, and including effective date provisions.
- 3 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA: TLSB 1651YH (12) 84 da/nh



House File 151 - Introduced continued

PAG LIN

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Section 1. NEW SECTION. 76.16B Debtor status permitted ====
1 1
1 2 temporary circumstances allowed for rural water districts.
1 3 1. A rural water district organized or incorporated
1 4 pursuant to chapter 357A may be a debtor under chapter nine
1 5 of the federal bankruptcy code, 11 U.S.C. { 901 et seq., if
  6 authorized by its board of directors pursuant to section
1 7 357A.11.
       2. Subsection 1 is no longer effective two years after the
1 9 effective date of this Act. However, this subsection does not
1 10 affect any bankruptcy proceeding pending on that date.
1 11 3. This section is repealed seven years after the effective
1 12 date of this Act.
1 13 Sec. 2. Section 357A.11, Code 2011, is amended by adding the
1 14 following new subsection:
       NEW SUBSECTION. 14. a. Have authority to make the district
1 16 a debtor and proceed under the relevant sections of the federal
1 17 bankruptcy code, including 11 U.S.C., ch. 9, if the board
1 18 determines that the district is insolvent as defined in the
1 19 federal bankruptcy code, including 11 U.S.C. { 101. This
1 20 paragraph applies notwithstanding any provision in this Code to
1 21 the contrary, unless expressly provided otherwise by another
1 22 statute referring to this chapter or section.
       b. Paragraph "a" is no longer effective two years after the
1 24 effective date of this Act. However, this paragraph does not
1 25 affect any bankruptcy proceeding pending on that date.
1 26 c. This subsection is repealed seven years after the
1 27 effective date of this Act.
1 28 Sec. 3. EFFECTIVE DATE. This Act, being deemed of immediate
1 29 importance, takes effect upon enactment.
                              EXPLANATION
1 31 This bill authorizes a rural water district to become a
1 32 debtor and proceed under the relevant sections of the federal
1 33 bankruptcy code if the board determines that the district is
1 34 insolvent as defined in the federal bankruptcy code. The
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1 35 board's authority expires two years after the bill's effective



- 2 1 date and the bill's provisions are repealed five years later.
- 2 2 The bill takes effect upon enactment.
 LSB 1651YH (12) 84
 da/nh



House File 152 - Introduced

HOUSE FILE BY GRASSLEY, HEATON, COWNIE, ARNOLD, BALTIMORE, KAUFMANN, WINDSCHITL, BAUDLER, PETTENGILL, RAYHONS, ALONS, HUSEMAN, LOFGREN, HAGENOW, CHAMBERS, SCHULTE, HAGER, SCHULTZ, JORGENSEN, MOORE, S. OLSON, PAUSTIAN, KLEIN, BYRNES, VANDER LINDEN, MASSIE, PEARSON, HANUSA, SHAW, J. TAYLOR, LUKAN, DOLECHECK, SANDS, DEYOE, DE BOEF, HEIN, and HELLAND

A BILL FOR

- 1 An Act relating to the accessibility of welfare moneys
- 2 by welfare program recipients at certain gambling
- 3 establishments through electronic benefits transfer
- 4 programs.
- 5 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA: TLSB 1068YH (6) 84 aw/rj

House File 152 - Introduced continued

PAG LIN

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Section 1. Section 217.24, Code 2011, is amended to read as
1 1
1 2 follows:
        217.24 Payment by electronic funds transfer.
       The department of human services shall continue expanding
1 5 the practice of making payments to program participants and
  6 vendors by means of electronic funds transfer. The department
1 7 shall seek the capacity for making payment by such means for
1 8 all programs administered by the department.
        The department shall prohibit program participants from
1 10 accessing state=provided cash benefits from any automated
1 11 teller machine or point=of=sale terminal located at any of the
1 12 following locations:
1 13 <u>1. Gambling boats.</u>
1 14
       2. Gambling structures.
1 15
       3. Bingo halls.
1 16 Sec. 2. Section 234.6, Code 2011, is amended by adding the
1 17 following new subsection:
     NEW SUBSECTION. 9A. Recommend rules for their adoption by
1 18
1 19 the council on human services to ensure that welfare program
1 20 recipients acknowledge that the intent of the program is to
1 21 meet the basic subsistence needs of the recipient or the
1 22 recipient's family.
1 23 Sec. 3. Section 234.12A, subsection 1, Code 2011, is amended
1 24 to read as follows:
1 25 1. The department of human services shall maintain an
1 26 electronic benefits transfer program utilizing electronic funds
1 27 transfer systems for the food assistance program. This program
1 28 shall be administered in accordance with the requirements
1 29 of section 217.24 and section 234.6, subsection 9A. The
1 30 electronic benefits transfer program implemented under this
1 31 section shall not require a retailer to make cash disbursements
1 32 or to provide, purchase, or upgrade electronic funds transfer
1 33 system equipment as a condition of participation in the
1 34 program.
1 35
                              EXPLANATION
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House File 152 - Introduced continued

1 This bill requires the department of human services to
2 ensure that all welfare program recipients acknowledge that the
3 welfare funds received are meant for basic subsistence.
4 The bill requires the department of human services to
5 prohibit electronic benefits transfer recipients from
6 accessing program funds through automated teller machines
7 and point=of=sale terminals at certain types of gambling
8 establishments.
LSB 1068YH (6) 84
aw/rj



House File 153 - Introduced

HOUSE FILE BY PEARSON, ALONS, BRANDENBURG, HAGER, MASSIE, ROGERS, RASMUSSEN, SWEENEY, HAGENOW, RAYHONS, IVERSON, HELLAND, DE?BOEF, SHAW, DOLECHECK, HANUSA, WINDSCHITL, VAN?ENGELENHOVEN, KLEIN, MOORE, CHAMBERS, HUSEMAN, ANDERSON, DRAKE, FRY, SODERBERG, WATTS, and SCHULTZ

A BILL FOR

- $1\ \mbox{An}$ Act relating to the protection of life beginning at
- 2 conception, and including effective date provisions.
- 3 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA: TLSB 1979YH (6) 84 pf/nh



House File 153 - Introduced continued

PAG LIN

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Section 1. NEW SECTION. 1.19 Rights and protections
1 1
1 2 beginning at conception.
1 3 The sovereign state of Iowa recognizes that life is valued
1 4 and protected from the moment of conception, and each life,
1 5 from that moment, is accorded the same rights and protections
  6 guaranteed to all persons by the Constitution of the United
1 7 States, the Constitution of the State of Iowa, and the laws of
1 8 this state. The Iowa supreme court shall not have appellate
1 9 jurisdiction over the provisions of this section.
1 10 Sec. 2. EFFECTIVE UPON ENACTMENT. This Act, being deemed of
1 11 immediate importance, takes effect upon enactment.
1 12
                              EXPLANATION
      This bill establishes that the sovereign state of Iowa
1 13
1 14 recognizes that life is valued and protected from the moment
1 15 of conception and each life is accorded the same rights and
1 16 protections guaranteed to all persons by the constitutions of
1 17 the state of Iowa and the United States, and by the laws of
1 18 the state. The bill also provides that the Iowa supreme court
1 19 does not have appellate jurisdiction over the provisions of the
1 20 bill.
1 21
       The bill takes effect upon enactment.
    LSB 1979YH (6) 84
    pf/nh
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House Resolution 8 - Introduced

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jr/rj

HOUSE RESOLUTION NO.

BY FORRISTALL

1 1 A Resolution recognizing the week of January 23 through January 29, 2011, as Iowa school choice week. WHEREAS, all children in Iowa should have the right 1 4 to the highest=quality schools possible; and 1 5 WHEREAS, citizens across Iowa agree that improving 1 6 the quality of education in Iowa and expanding access 1 7 to great schools should be an issue of importance to 1 8 our state's leaders; and 1 9 WHEREAS, Iowa has a multitude of high=quality 1 10 educational options including public schools, nonpublic 1 11 schools, charter schools, and home schooling; and WHEREAS, the vital cause of education reform is 1 13 one that transcends ideology and political party 1 14 affiliation; and 1 15 WHEREAS, research in Iowa and across our nation 1 16 demonstrates conclusively that providing children 1 17 with multiple schooling options improves academic 1 18 performance; NOW THEREFORE, 1 19 BE IT RESOLVED BY THE HOUSE OF REPRESENTATIVES, That 1 20 the House of Representatives recognizes the week of 1 21 January 23 through January 29, 2011, as school choice 1 22 week in the State of Iowa, and calls this recognition 1 23 to the attention of all Iowans. LSB 2092YH (1) 84